

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2022 First Round

June 15, 2022

Greenbrier Village, located at 563 Greenbrier Drive in Oceanside, requested and is being recommended for a reservation of \$1,243,042 in annual federal tax credits to finance the new construction of 59 units of housing serving special needs tenants with rents affordable to households earning 30%-45% of area median income (AMI). The project will be developed by National Community Renaissance of California and will be located in Senate District 36 and Assembly District 76.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from California Department of Housing and Community Development's (HCD) No Place Like Home (NPLH) program.

Project Number CA-22-033

Project Name Greenbrier Village
Site Address: 563 Greenbrier Drive
Oceanside, CA 92054 County: San Diego
Census Tract: 185.090

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,243,042	\$0
Recommended:	\$1,243,042	\$0

Applicant Information

Applicant: Greenbrier Village LP
Contact: Ashley Wright
Address: 9421 Haven Avenue
Rancho Cucamonga, CA 91730
Phone: 909-483-2444
Email: awright@nationalcore.org

General Partner(s) / Principal Owner(s): NCRC Greenbrier LLC
SDCHC Greenbrier Village LLC

General Partner Type: Nonprofit
Parent Company(ies): NCRC Greenbrier LLC
Developer: National Community Renaissance of California
Investor/Consultant: Hudson Housing Capital
Management Agent(s): National Community Renaissance of California

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 60
No. & % of Tax Credit Units: 59 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project-based Vouchers (59 units-100%)

Information

Set-Aside: Nonprofit (qualified nonprofit organization)
 Housing Type: Special Needs
 Type of Special Needs: Homeless, persons with physical, mental, development disabilities
 Average Targeted Affordability of Special Needs/SRO Project Units: 31.27%
 % of Special Need Units: 50 units 85.00%
 Geographic Area: San Diego County
 CTCAC Project Analyst: Nick White

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 54	91%
At or Below 45% AMI: 5	8%

Unit Mix

50 SRO/Studio Units
9 1-Bedroom Units
1 2-Bedroom Units
60 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
45 SRO/Studio	30%	\$499
9 1 Bedroom	30%	\$571
5 SRO/Studio	45%	\$749
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$2,170,727
Construction Costs	\$13,959,299
Rehabilitation Costs	\$0
Construction Contingency	\$889,843
Relocation	\$0
Architectural/Engineering	\$1,227,860
Const. Interest, Perm. Financing	\$1,102,591
Legal Fees	\$290,000
Reserves	\$1,089,608
Other Costs	\$2,498,138
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$25,428,066

Residential

Construction Cost Per Square Foot:	\$445
Per Unit Cost:	\$423,801
True Cash Per Unit Cost:	\$423,801

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
JPMorgan Chase	\$12,972,137	JPMorgan Chase	\$4,769,111
County of San Diego NPLH	\$5,972,695	County of San Diego NPLH	\$5,972,695
City of Oceanside	\$3,150,000	City of Oceanside	\$3,500,000
Deferred Costs	\$2,214,608	Tax Credit Equity	\$11,186,260
Tax Credit Equity	\$1,118,626	TOTAL	\$25,428,066

Determination of Credit Amount(s)

Requested Eligible Basis:	\$10,624,291
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$13,811,578
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,243,042
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Hudson Housing Capital
Federal Tax Credit Factor:	\$0.89991

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Special Needs
Final:	89.979%

Significant Information / Additional Conditions

The proposed rent does not include a utility allowance. The owner will pay for all utilities.

Resyndication and Resyndication Transfer Event: None

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

CTCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of CTCAC.

The applicant must pay CTCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, CTCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within CTCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, CTCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from CTCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by CTCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by CTCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ¾ mile of public park or community center open to general public	2	2	2
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Special Needs project within 1 mile of facility serving tenant population	2	2	2
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	15	10
SPECIAL NEEDS HOUSING TYPE			
Case Manager, minimum ratio of 1 FTE to 100 bedrooms	5	5	5
Service Coordinator/Other Services Specialist, min. ratio 1 FTE to 360 bdrms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.